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Farm Outlook

Iowa Farm Science Editorial Board

Farm Outlook...

FARMERS in the nine main hog raising states, on March 1, were planning to produce about 10 percent more spring pigs than they did in 1958. These nine states account for about two-thirds of the hogs produced in the nation.

If farmers in these states follow through on their March 1 plans, they'll raise 9 percent more late spring litters, to go along with the 12 percent more early litters raised.

The March 1 farrowing plans in these states were a little more cautious than they were back in December. If they're indicative of the plans of farmers in the rest of the nation, we expect a spring pig crop some 10-12 percent larger than a year ago. Such an increase would mean lower hog prices this fall—but not so low as the disastrous levels some had feared earlier.

The better distribution of farrowings—which should result in a more even flow of hogs to market this fall—should be a big help. Right now, it appears most likely that hog prices will be in the $13-$15 area this fall. And this will still give an above-average hog-corn ratio. Last fall hogs got down to $17.

Farmers also were planning to farrow 9 percent more summer pigs in the nine main hog-raising states. If these plans are followed through, hog prices next winter won't rise much from the fall low—averaging perhaps a couple of dollars lower than this past winter.

Currently, hog prices are expected to be steady to stronger in the next 60 days. Slaughter will be lower than in March and April. But by summer, slaughter will be rising again. So this year's peak in hog prices probably will come earlier than usual.

Crops . . .

As of March 1, farmers were planning to plant about 84 million acres of corn this spring—a boost of about 9¼ million acres above last year's actual planting. The states planning the biggest hike over 1958 were Iowa, Illinois and Nebraska.

The final figure, of course, will depend on the weather this spring. If corn planting gets off to a slow start, more land will go into beans, less into corn. Farmers were intending to put in about 1¾ million fewer acres of soybeans this year than in '58.

If it weren't for the likelihood of carrying over 60-75 million bushels of old beans next fall, the odds would be in favor of higher bean prices in 1959-60. But the larger carryover will offset the expected cut in acreage. Thus, the 24-cent-lower bean loan will be a force at fall harvest time. But after that, bean prices are likely to work higher—probably to around what they've been the past winter.

The loan rate will be the main determining factor in the fall corn outlook. With favorable weather, we could have a near-4-million-bushel corn harvest in 1959. Probably $1 per bushel is about the best figure to use at this time in making cropping plans for this season.

Cattle . . .

Sales of fed cattle are approaching their spring peak in numbers. Prices probably will receed as the marketings increase.

The pattern of cattle on feed points toward a seasonal price advance in late summer or early fall—followed by some weakening by the end of the year. This year is likely to go down in the records as the high year for the average price of fed cattle for the current cattle cycle.

Feeder cattle prices have been bid up in response to the recent advance in fed cattle prices—and pose a real problem for the man who must buy replacement cattle now.

Estimated Weekly Federally Inspected U. S. Hog Slaughter